

GROUP CRITICAL ILLNESS INSURANCE PLAN

CHECKLIST – HOW DOES YOUR PLAN COMPARE?

| Item | ‘Ideal’ | Your contract or benefit plan |
|------------------------------------|---|-------------------------------|
| Issue and approval | Guaranteed standard issue without any medical testing requirements. | |
| Plan benefit structure | Should be a stand alone benefit and approval should not be conditionally tied to mandatory acceptance of other benefits from the carrier. | |
| Pre-existing conditions | Reduce or eliminate pre-existing conditions restriction from usual 24/24 months. | |
| First occurrence limitation | Reduce or eliminate first occurrence limitation restriction from usual 5 years. | |
| General exclusions | Few as possible exclusions and/or restrictions . | |
| Level of benefits | Same amount for all employees. No restrictions based on income. | |
| Scope of Coverage | Most comprehensive covered conditions with broadest protection available. Optional coverage should be made available to family members. | |
| Covered conditions | Most number of covered conditions available, including occupational HIV infection. | |
| Definitions of conditions | Wording of covered conditions must be legally and medically sound to prevent any ambiguity and reduce or eliminate chances of dispute at claim time. | |
| | A condition’s definition should contain few or no exceptions or exclusions . | |
| | A definitive diagnosis should be the only requirement necessary for satisfying a condition. Lifestyle restrictions, degree of disability or ability to work should not be required. | |
| Qualifying period | Any covered condition requiring more than the normal 30 day survival period requirement should have shortest qualifying period possible. | |
| Moratorium period | Plan coverage should not be terminated if Cancer diagnosed within initial 90 day moratorium period. | |
| Claim assessment | The criteria for determining that a covered condition occurred should be reasonable and not necessarily limited to a single method or procedure. | |
| | Required medical evidence or documentation should only be made available to Insurance Company not employer. | |
| Portability | Coverage should be portable if /employee changes employers or in the event of retirement | |
| Premium | 100% employer paid . Non-taxable benefit to employee. | |
| Underwriter | Must be an Insurance Company to maintain non-taxable benefit status for reporting purposes and tax exempt status at claim time. Tax status based on interpretation of current legislation. | |